



FINANCIAL REPORT

QUARTER ENDED 31 OCTOBER 2024

CEO STATEMENT//

I am pleased to report our financial performance for the final quarter of 2024. Looking back, the fiscal year has been marked by significant achievements and robust growth across all key financial metrics, resulting in a full year result of \$141.5m underlying EBITDA, 12% ahead of the prior year.

Our Fiscal 2024 fourth quarter completes a strong finish with a 6% increase in underlying EBITDA in comparison to the last quarter of 2023.

I would like to extend my gratitude to our dedicated team, valued customers, and supportive shareholders for their unwavering trust and commitment. Together, we will continue to build on this momentum and achieve further success in 2025.



Tig Gilliam
Chief Executive Officer, NES Fircroft Group
10 January 2025



Q4 METRICS//



24,265
contractors supported



\$803.2m
revenue



2,140
global staff



\$97.1m
gross profit



53%
female employees



\$36.0m
underlying EBITDA*



137
different nationalities



88
offices worldwide

*Underlying EBITDA comprises earnings before interest, tax, depreciation, and amortisation and before exceptional items and management recharges. This is considered a better approximation of profit as it is calculated by excluding non-trading expenditure and non-cash items from operating profit.

CFO STATEMENT//



Stephen Buckley

Chief Financial Officer, NES Fircroft Group

10 January 2025

Despite the growth in revenues, operating profit and other investments, we successfully reduced our closing net debt in comparison to the previous year.

This is illustrated by an improved closing NIBD to EBITDA ratio of 1.45x, which is 0.3x lower than the prior year closing leverage of 1.78x.

Our ability to manage receivables effectively, reduce net debt, and sustain revenue growth, demonstrates our robust financial health and operational efficiency.

On 30th September, we completed a new 5-year senior secured callable bond issue of \$350 million in Norway, with a coupon rate of 8.0% per annum. The net proceeds were applied to repay in full our existing \$300 million senior secured Nordic bonds with a coupon rate of 11.75%.

LTM EBITDA*	\$141.5m
Net Interest-Bearing Debt	\$204.9m
NIBD / EBITDA Ratio	1.45x
Q4 2024 EBITDA* growth over Q4 2023	6.2%
Q4 2024 EBITA**	\$32.3m
LTM EBITA**	\$127.8m

**Underlying EBITDA comprises earnings before interest, tax, depreciation, and amortisation and before exceptional items and management recharges. This is considered a better approximation of profit as it is calculated by excluding non-trading expenditure and non-cash items from operating profit.*

***Underlying EBITA comprises earnings before interest, tax, and acquisition related amortisation and before exceptional items and management recharges. This is considered a better approximation of profit as it is calculated by excluding non-trading expenditure and non-cash items from operating profit.*

FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT//

	Q4 2024 ¹ \$'000	Q4 2023 ² \$'000
Revenue	803,150	707,468
Cost of sales	(706,038)	(623,399)
Gross profit	97,112	84,069
Administrative expenses	(81,226)	(60,994)
Operating profit before management recharges, exceptional items, depreciation and amortisation	35,966	33,876
Management recharges	(245)	(276)
Exceptional items	(12,363)	(3,694)
Depreciation	(3,186)	(2,770)
Amortisation of intangible assets	(4,286)	(4,061)
Operating profit	15,886	23,075
Finance costs	(50,002)	(9,417)
(Loss)/profit before tax	(34,116)	13,658
Taxation	1,840	(1,614)
(Loss)/profit for the period	(32,276)	12,044
Attributable to:		
Owners of the Company	(30,877)	10,848
Non-controlling interests	(1,399)	1,196
	(32,276)	12,044

¹All financial statements are presented on an unaudited basis and subject to potential adjustments on finalising the audited consolidated financial statements or NES Fircroft Bondco AS.

²The comparative quarter ended 31 October 2023 has been restated to include the equivalent adjustments made in the prior year.

CONSOLIDATED BALANCE SHEET //

	31 October 2024 ¹ \$'000	31 October 2023 ² \$'000
Non-current assets	199,056	202,491
Current assets		
Trade and other receivables	600,796	555,041
Cash and bank balances	158,597	90,717
	759,393	645,758
Total assets	958,449	848,249
Equity		
Share capital	3	3
Share premium	178,801	178,801
Retained earnings	(358,358)	(325,061)
Translation reserve	4,428	(20,353)
Merger reserve	258,341	258,341
Shareholders' funds	83,215	91,731
Non-controlling interests	6,400	8,004
Total equity	89,615	99,735
Current liabilities		
Trade and other payables	379,792	337,252
Borrowings	125,054	107,170
	504,846	444,422
Non-current liabilities		
Borrowings	340,592	286,025
Other non-current liabilities	23,396	18,067
	363,988	304,092
Total liabilities	868,834	748,514
Total equity and liabilities	958,449	848,249

¹All financial statements are presented on an unaudited basis and subject to potential adjustments on finalising the audited consolidated financial statements or NES Fircroft Bondco AS.

²The comparative quarter ended 31 October 2023 has been restated to include the equivalent adjustments made in the prior year.

CONSOLIDATED CASH FLOW

¹All financial statements are presented on an unaudited basis and subject to potential adjustments on finalising the audited consolidated financial statements or NES Fircroft Bondco AS.

²The comparative quarter ended 31 October 2023 has been restated to include the equivalent adjustments made in the prior year.

	Q4 2024 ¹ \$'000	Q4 2023 ² \$'000
(Loss)/profit for the quarter	(32,276)	12,044
Adjustments for:		
Income tax	(1,840)	1,614
Finance costs	50,002	9,417
Depreciation and amortisation	7,472	6,831
Impairment of fixed assets	863	-
Operating cash flows before movements in working capital		
(Earnings before interest, tax, depreciation, and amortisation)	24,221	29,906
(Increase)/decrease in receivables	(813)	3,574
Increase in payables	18,564	29,405
Cash generated from operations	41,972	62,885
Taxation paid	(4,860)	(4,970)
Net cash inflow from operating activities	37,112	57,915
Purchases of fixed assets	(1,240)	(1,192)
Net cash outflow from investing activities	(1,240)	(1,192)
Bank interest and charges	(5,206)	(4,041)
Lease payments	(3,086)	(2,776)
Payment of bond interest	(17,625)	(17,625)
Repayment of senior secured bond principle	(300,000)	-
Proceeds of bond, net of fees deducted at source	324,572	-
Fees paid in relation to financing activities	(1,171)	-
Dividends paid to non-controlling interest	(132)	-
Net cash outflow from financing activities	(2,648)	(24,442)
Net increase in cash and cash equivalents	33,224	32,281
Net exchange rate movements	795	2,013
Cash and cash equivalents at beginning of quarter	(476)	(50,747)
Cash and cash equivalents at end of quarter	33,543	(16,453)
Cash and cash equivalents		
IDF and SSRCF	(125,054)	(107,170)
Cash and bank balances	158,597	90,717
Cash and cash equivalents at end of quarter	33,543	(16,453)

APPENDIX//

GROSS TO NET DEBT ANALYSIS

All financial statements are presented on an unaudited basis

	Q4 2024 \$'m
Bond	350.0
IDF	125.1
Lease Liability	13.3
Deferred consideration	0.2
Gross Debt	488.6
Cash	(158.6)
Net Debt	330.0
Less:	
IDF	(125.1)
Net Interest-Bearing Debt	204.9

FOR FURTHER INFORMATION//

TIG GILLIAM - CHIEF EXECUTIVE OFFICER (CEO)

STEPHEN BUCKLEY - CHIEF FINANCIAL OFFICER (CFO)

For administrative queries, please contact:

MARK LE VESCONTE - GROUP FINANCE DIRECTOR

M: +44 161 942 4000 E: mark.levesconte@nesfircroft.com

WWW.NESFIRCROFT.COM

